

that a number of Members on this side indicate they would object to extending the vote past 12:45. Everyone should understand that. The managers of the bill—and I have spoken to our manager, Senator BAUCUS—understand that. If anyone tries to extend the time past 12:15, there will be an objection. We will vote at 12:15.

The PRESIDING OFFICER (Mr. BENNETT). Is there any objection to reserving of the minority's time? Hearing none, the time is reserved.

The Senator from Wyoming.

WELFARE REFORM

Mr. THOMAS. Mr. President, I rise today to talk about the issue before the Senate. The previous comments this morning sounded like a political rally. We ought to talk about the issues before the Senate instead of spending all our time criticizing the President.

We have before the Senate welfare reform, to extend what we have done in the past. Welfare reform has been a remarkable success story for millions of people. Welfare reform is working because former recipients are working. Families once dependent on welfare checks are now looking forward to the independence of a paycheck. That, of course, has been the purpose of the program. Through the years it has been very successful.

This bill deals with the effort to provide meaningful work and more opportunity for welfare recipients to move off welfare, to promote healthy families, to provide opportunity for health and marriage programs, to give States the flexibility to continue to work on the programs they have had.

We are very pleased this is now before the Senate. As a Finance Committee member who has worked on this for a very long time, it is something that we need to pass and make available to people in this country.

The legislation before the Senate, H.R. 4, the Personal Responsibility and Individual Development for Everyone Act, makes the necessary changes in existing law to make it even more of a success. America began a war on poverty more than three decades ago. However, the good intentions of that policy produced conflicting results. Seniors were lifted out of poverty, poor families received basic health care, and disadvantaged children were given a head start in life.

Many Americans were injured by that helping hand. The welfare system actually became an enemy of individual efforts and responsibility. As dependence passed from one generation to the next, the vicious welfare cycle began for some families.

Between 1965 and 1995, Federal and State welfare spending increased from \$40 billion to more than \$350 billion per year. However, all this money produced virtually no progress in reducing child poverty.

In August 1996, Congress passed a progressive welfare reform law that

transferred welfare benefits into temporary help, not into a permanent way of life. The new system honors work by requiring all able-bodied recipients to work or go back to school to further their education.

The goal of the 1996 welfare reform law was to give participants a strong, time-limited support system as they developed long-life skills that encourage independence.

That is the purpose of this entire program. It has been successful. It provides childcare funding to help families meet the work requirements while limiting the benefits to 5 years. States must promote self-sufficiency. They are given the flexibility to reach that goal.

The following results of the 1996 landmark welfare reform bill speak for themselves. From August 1996 to June 2003, the number of families on welfare fell from 4.4 million to 2 million, a 54-percent decline. In the same time period, the number of individuals fell from 12.2 million to less than 5 million, a decline of 60 percent. From 1996 to 2002, child poverty went from 20.5 percent to 16.7 percent. This represents a reduction of over 2.3 million poor children.

Child poverty rates among African Americans and Hispanics were at or near record low levels. The percentage of never married working mothers increased from 49.3 in 1996 to 65 percent in 2002. Childcare funding has continued at record levels. Let me say that again: Childcare funding has continued at record levels. We are going to be faced with a resolution shortly to increase that. The fact is, we have had ample dollars in the past. We have fewer people now and all different kinds of programs going into that. I hope we do not add \$6 billion to the cost of the program.

State and Federal funding for childcare from the childcare development block grant, TANF, and social services block grant increased from \$3.2 billion in 1996 to \$11.8 billion in 2003. In 2003, an estimated 2.5 million children will receive subsidized childcare from these funding sources. From 1996 to 2003, child support collections increased from \$12 billion to \$21 billion. This demonstrates a pattern of success, moving people in the direction this was designed to move them.

Wyoming, my home State, has had particularly good luck. In the wake of these changes, welfare reform has been phenomenal. In fact, the number of individuals receiving assistance has dropped approximately 90 percent since 1994. This was accomplished with total weekly hour requirements of work of 40 hours, which is above and beyond the current law. That is what is in the reauthorization bill before the Senate.

Last year, Wyoming received a \$19.9 million bonus for reducing the out-of-wedlock birth rate.

Wyoming also has over \$30 million in reserve funds they are able to use when this bill is passed. This increased flexi-

bility will not only help my State keep folks off the welfare rolls, but provide assistance to childcare and other expenses while continuing on their path of self-sufficiency.

I am very proud of my State's success. Our experience proves welfare reform is a strong and comprehensive policy to uplift and empower people to be able to earn for themselves. I am encouraged by the initial results of welfare reform, but there is still a lot of work to do.

I support the chairman's bill because it does the following: It increases work hours to 34. This is better to prepare recipients for full-time employment. I would like to see that number of work hours be increased to 40. Wyoming has made that work well.

This creates a partial credit system for States doing everything they can to make this even better. We have increased childcare spending by \$1 billion over 5 years. It allows the States to use Federal money no longer used on cash assistance. Increased flexibility allows for more activities.

I hope we move this out of committee. We have been deferring it by extending the old bill. We need to put the new bill into place. We need to stop the uncertainty for the States as to what we are doing.

I thank Chairman GRASSLEY for his leadership. I hope we can move this week to conference and keep our commitments to equip TANF recipients with the skills they need to take care of themselves and their families.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

ORDER OF PROCEDURE

Mr. ENSIGN. Mr. President, I will talk a little about jobs this morning.

How much time remains on the Republican side?

The PRESIDING OFFICER. The majority has 21 minutes 40 seconds.

Mr. ENSIGN. Mr. President, is there a unanimous consent on how the time is divided on our side?

The PRESIDING OFFICER. There is not.

Mr. ENSIGN. I ask unanimous consent I have 10 minutes of the remaining 21 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, might I ask for 10 minutes after the Senator completes his remarks?

The PRESIDING OFFICER. Does the Senator propound a unanimous consent?

Mr. BOND. I propound a unanimous consent request I be recognized for 10 minutes following Senator ENSIGN.

Mr. BAUCUS. Reserving the right to object, might I ask the Chair when we are scheduled to go back on the bill?

The PRESIDING OFFICER. The majority has 21 minutes remaining, and the minority has reserved 1 minute 10 seconds. When that time has expired, we will return to the bill.

Without objection, the request of the Senator from Missouri is agreed to.
The Senator from Nevada.

JOBS

Mr. ENSIGN. Mr. President, I rise to talk about jobs in the United States and something that is happening to our country. We have very complex international tax laws. To go into them, people's eyes would glaze over in complete boredom. Suffice it to say, because of the complexities, we have tried over the years to get U.S. companies on a more level playing field.

In the past year, the international bodies that have jurisdiction have ruled against the United States versus the European Union regarding the way we treat U.S. companies doing business outside of the United States. Therefore, because we have not fixed our laws, they have decided to put a 5-percent tariff on many of our manufactured goods. Starting this month and for every month thereafter, that 5-percent tariff will be raised by 1 percent. As a matter of fact, by this time next year it will be up to 17 percent, which puts American manufacturers at a tremendous global disadvantage when compared to the European Union.

If Members care about manufacturing jobs in this country, it is important this body bring back the JOBS bill that we had before us in the Senate last week that was filibustered and get it passed.

The other side keeps talking about, manufacturing jobs and exporting jobs and outsourcing. If people really care about manufacturing jobs in this country, we will bring the JOBS bill back up to the floor and get it voted on and get it worked out between the House and the Senate and get it down to the President so he can sign it into law so we can start giving more help and more relief to manufacturing jobs in this country.

Let me read a quote from the Washington Post of last week, quoting a Democrat tax aide saying:

There's not a lot of incentive for us to figure out this [FSC-ETI] problem.

That is the problem I just talked about with the international tax laws with our country and the tariffs.

The Democrat aide went on to say that "allowing the ETI problem to fester would yield increased sanctions that could benefit the Democrats in November."

Well, if this is true, this is an appalling statement. This debate should be about policy, not petty politics.

So let's look at what is inside of this JOBS bill.

Not only would it end the \$4 billion a year of tariffs against U.S. exports—and, by the way, those exports include grain, timber, paper, and manufactured goods. I realize, for some, this may be too politically tempting to let pass by—but this bill, by ending those tariffs, would put us on a more level playing field with European Union companies.

The CBO says we have lost 3 million manufacturing jobs in the United States since the year 2000. We have been losing gradually, since the late 1970s, manufacturing jobs in the United States. That is part of the entire global economy, but it is important that we at least allow U.S. jobs to be on a level playing field.

The JOBS bill to which I referred, that was being filibustered, provides \$75 billion of tax relief to our manufacturing sector to promote rehiring in U.S.-based manufacturing firms.

This JOBS bill gives a 3-percentage-point tax rate cut on all income derived from manufacturing in the United States—it is not for manufacturing offshore—and we start those cuts in this year. This manufacturing rate cut applies to sole proprietors, partnerships, farmers, individuals, family businesses, multinational corporations, and even foreign companies that decide to set up operations within the United States and provide jobs in the United States.

The bill also extends the R&D tax credit through the end of the year 2005. Now, the R&D tax credit is absolutely a jobs producer in the United States. It is for doing research and development, which betterers our companies, which betterers our economies, and creates high-paying jobs in the United States.

The bill also extends, for 2 years, the tax provisions that expired in 2003 and in 2004, such as the work opportunity tax credit and the welfare-to-work tax credits—obviously, important pieces of legislation.

The bill also provides incentives for newly constructed rural investment buildings, for starting or expanding a rural business in rural high-outmigration counties.

The JOBS bill includes brownfields revitalization. Those are inner-city areas. Because of environmental concerns, frankly, many inner cities have dying areas because companies cannot go in. Because of the environmental liability of what somebody dumped there before, they cannot go in and create jobs in the inner cities. That is why it is important we get this part of the bill done.

I also want to now talk about what I think is probably the most important part of the tax bill, and it is called the Invest in the USA Act, a bill that I have sponsored with Senator BARBARA BOXER of California.

This bill would allow U.S. companies that have invested abroad—they have a little over \$600 billion invested that they have made money on and they have sitting in their bank accounts overseas. If they bring that money back to the United States, they will pay up to a 35-percent tax on it. There is not a lot of incentive for them to bring the money back. Other countries do not treat their companies that way, so they are able to actually bring the money back to their countries to create jobs in their countries.

This past weekend, Senator KERRY talked about that issue. He now sup-

ports the idea of giving a tax break for the money coming back into this country. Last year, we had a vote on our bill, and all 50 Republican Senators and 25 Democratic Senators agreed it was time to bring this money home at a very low tax rate—a 5.25-percent tax rate.

Senator KERRY has now embraced the idea of bringing it home, but he wants it taxed at 10 percent. The problem with taxing it at 10 percent is, because of the low cost of borrowing money today, it would actually be cheaper for the companies to borrow money in the United States than to pay the 10-percent tax and bring these funds home. So Senator KERRY recognizes it is a good thing to bring the money home. Unfortunately, the fix that he has will not bring the money home.

The bill that Senator BOXER and I have proposed, that received 75 votes on the Senate floor, and now is part of the big JOBS tax bill, does bring the money home. Estimates are that it will bring at least \$400 billion to the United States. That is a lot of money. As a matter of fact, that is more money than was raised in all of the initial public stock offerings from 1996 to 2002. That is a huge stimulus to our economy. That will produce a lot of good-paying U.S. jobs that we so desperately need right now.

The economy is growing. GDP is up. There are increases in productivity. We are obviously doing well with home sales. Where we are not doing as well as we would like is in the area of new job creation. There are a lot of new self-employed jobs that are being created, but on the payroll survey many of those jobs are not being reported.

This bill—for those who want to increase and extend the temporary unemployment insurance benefits, for those who want to do all kinds of Government programs—will make those types of provisions unnecessary.

So if the Democrats in the Senate want to do something about jobs for this country, they will quit trying to put all kinds of extraneous provisions onto the bill, and we will get a jobs bill done this year.

Mr. President, I yield the floor.

Mr. KENNEDY. Will the Senator yield?

Mr. ENSIGN. My time has expired.

The PRESIDING OFFICER. The Senator's time has expired.

Under the previous order, the Senator from Missouri is recognized.

Mr. BOND. Mr. President, I thank the Chair, and I thank my colleague. I thank my colleague from Nevada, particularly, for talking about the importance of the FSC/ETI bill because today jobs are a critical need in our country.

Yes, we see signs that the economy is recovering, but we are not seeing the growth in jobs. Now the unemployment rate is down to 5.6 percent. Obviously, we all would like to see it lower. There are a number of steps that we can take, and I think passing a good highway bill is one such step.